

ENVIRONMENTAL PROTECTION AGENCY

[FRL-5964-5]

Clean Air Act; Acid Rain Provisions**AGENCY:** Environmental Protection Agency (EPA).**ACTION:** Notice of the 1998 EPA SO₂ allowance auctions.

SUMMARY: Pursuant to Title IV of the Clean Air Act and 40 CFR part 73, the EPA is responsible for implementing a program to reduce emissions of sulfur dioxide (SO₂), a precursor of acid rain. The centerpiece of the SO₂ control program is the allocation of transferable allowances, or authorizations to emit SO₂, which are distributed in limited quantities for existing utility units and which eventually must be held by virtually all utility units to cover their SO₂ emissions. These allowances may be transferred among polluting sources and others, so that market forces may govern their ultimate use and distribution, resulting in the most cost-effective sharing of the emissions control burden. In addition, EPA is directed under section 416 of the Act to conduct annual auctions of a small portion of allowances (2.8%) withheld from the total allowances allocated to utilities each year. Auctions are expected to stimulate and support such a market in allowances and to provide a public source of allowances, particularly to new units for which no allowances are allocated. Today, the Acid Rain Division is giving notice of the sixth annual SO₂ allowance auctions. The regulation governing the auctions was promulgated on December 17, 1991 (40 CFR part 73, subpart E).

EPA has delegated the administration of the EPA allowance auctions to the Chicago Board of Trade (CBOT). The auctions will be conducted under the regulation cited above. Anyone can participate in the EPA auctions and bidders are not restricted as to the quantity or price of their bid. Allowances sold at the auctions will be sold to the highest bidder until no allowances remain. The 1998 auctions will consist of one "spot" auction and one "advance" auction. Allowances sold in the spot auction are useable for compliance beginning in 1998. Allowances sold in the 7-year advance auction are useable for compliance beginning in 2005. 150,000 allowances will be sold in the spot auction and 125,000 allowances will be sold in the 7-year advance auction. Bid Forms for the 1998 auctions must be received by the CBOT by the close of business on March 17, 1997. The auctions

themselves will be conducted on March 23, 1998, with the results announced on March 25.

CBOT will also sell in the 1998 auctions any spot or 7-year advance allowances that are offered by others holding allowances in EPA's Allowance Tracking System. However, offered allowances will be sold after the allowances that were withheld from the utilities, so offered allowances will consequently be sold at a lower price than the withheld allowances. Owners of offered allowances may set a minimum price for their allowances. To offer allowances in the EPA auctions, owners of allowances must submit a SO₂ Allowance Offer Form to EPA by the close of business on March 2, 1998. The auction regulation requires that offer forms be received by EPA no later than 15 business days prior to the date of the auctions.

ADDRESSES:

Regular mail: U.S. EPA Acid Rain Division (6204J), Attn: Auctions, 401 M St., S.W., Washington, DC 20460.

Overnight mail: US EPA Acid Rain Division (6204J), Attn: Auctions, 501 3rd Street, N.W., Washington, DC 20001.

Chicago Board of Trade, Attn: EPA Auctions, 141 W. Jackson Blvd., Suite 2240, Chicago, IL 60604.

FOR FURTHER INFORMATION: Information on bidding in the 1998 EPA auctions can be found in the brochure "How to Bid in the EPA SO₂ Allowance Auctions, Sixth Annual Auctions—March 23, 1998"; general information on the EPA auctions can be found in the "Acid Rain Program Allowance Auctions" fact sheet. These publications, as well as the forms needed to participate in the EPA auctions, can be obtained by calling the Acid Rain Hotline at (202) 564-9620, by writing to EPA at the address listed above, or by accessing the Acid Rain Program home page at <http://www.epa.gov/acidrain>.

Dated: January 28, 1998.

Janice K. Wagner,

Acting Director, Acid Rain Division.

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ENVIRONMENTAL PROTECTION AGENCY

[FRL-5964-7]

Investigator-Initiated Grants: Requests for Applications

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of request for applications.

SUMMARY: This document provides information on the availability of the fiscal year 1998 investigator-initiated grants program announcements, in which the areas of research interest, eligibility and submission requirements, evaluation criteria, and implementation schedule are set forth. Grants will be competitively awarded following peer review.

DATES: Receipt dates vary depending on the specific research area within the solicitation and are listed below.

FOR FURTHER INFORMATION CONTACT: U.S. Environmental Protection Agency, National Center for Environmental Research and Quality Assurance (8703R), 401 M Street, SW, Washington DC 20460, telephone (800) 490-9194. Each of the complete announcements can be accessed on the Internet from the EPA home page: <http://www.epa.gov/ncercqa>.

SUPPLEMENTARY INFORMATION: In its Requests for Applications (RFA) the U.S. Environmental Protection Agency (EPA) invites research grant applications in the following areas of special interest to its mission: (1) Environmental Statistics (joint with the National Science Foundation), and (2) Research and Monitoring Program on Ecological Effects of Environmental Stressors using Coastal Intensive Sites. EPA also announces a request for applications for a new program called Environmental Monitoring for Public Access and Community Tracking (EMPACT). Applications must be received as follows: March 16, 1998, for topic (1); April 1, 1998, for topic (2); and May 15, 1998 for EMPACT.

The RFAs provide relevant background information, summarize EPA's interest in the topic areas, and describe the application and review process.

Contact person for the Environmental Statistics RFA is Chris Saint (saint.chris@epamail.epa.gov), telephone 202-564-6909; for Research and Monitoring Program on Ecological Effects of Environmental Stressors using Coastal Intensive Sites is Barbara Levinson (levinson.barbara@epamail.epa.gov), telephone 202-564-6911; and for EMPACT is Barbara Karn (karn.barbara@epamail.epa.gov), telephone 202-564-6824.